

ATTACHMENT 5
SAMPLE PROGRAM INTEGRITY ASSESSMENT SUPPLEMENT TEMPLATE
 Low Income Home Energy Assistance Program (LIHEAP)

ABSTRACT:

HHS is requiring further detail from Grantees on their FY2014 plans for preventing and detecting fraud, abuse, and improper payments. HHS is also requiring that Grantees highlight and describe all elements of this FY2014 plan which represent improvements or changes to the Grantees' FY2013 plan for preventing and detecting fraud, abuse and improper payment prevention.

Instructions: Please provide full descriptions of the Grantee's plans and strategy for each area, and attach/reference excerpts from relevant policy documents for each question/column. Responses must explicitly explain whether any changes are planned for the new FY.

State, Tribe or Territory (and grant official): Missouri Heather Jones, LIHEAP Manager Community Support Unit (CSU) Family Support Division (FSD)		Date/Fiscal Year: 08/30/2013 Fiscal Year 2013	
RECENT AUDIT FINDINGS			
Describe any audit findings of material weaknesses and reportable conditions, questioned costs and other findings cited in FY2014 or the prior three years, in annual audits, Grantee monitoring assessments, Inspector General reviews, or other Government Agency reviews of LIHEAP agency finances.	Please describe whether the cited audit findings or relevant operations have been resolved or corrected. If not, please describe the plan and timeline for doing so in FY2014.	If there is no plan in place, please explain why not.	Necessary outcomes from these systems and strategies
FY2011 A-133 Audit Findings Summary Seventeen (17) of the eighteen (18) of Missouri's Community Action Agencies have provided their FY2011 Audits. Thirteen (13) out of seventeen (17) agencies did not have audit findings or questioned costs; therefore, four (4) out of seventeen (17) agencies had audit findings. Please note that one agency, DAEOC, has not submitted	A-133 Response According to OMB Circular A-133, audit firms are required to include the agency's Corrective Action Plan in their audit reports with any findings and/or questioned costs. All of the agencies that had audit findings and/or questioned costs did include their Corrective Action Plan in the audit report.	N/A	<i>The timely and thorough resolution of weaknesses or reportable conditions as revealed by the audit.</i>

its audit report to FSD at this time. Two (2) agencies out of the four (4) agencies that did have audit findings had findings in their financial statement section/internal controls of their audit report. Three (3) out of those four (4) agencies had findings related to their major federal award compliance section; however only one (1) of those pertained to the LIHEAP grant. One (1) agency out of those four (4) had questioned costs. Those questioned costs were for the LIHEAP program and totaled \$1,142.

One (1) agency continued to have issues with the financial statement/internal controls section in their audit report. Corrective action for this agency is in process.

Three (3) agencies continued to have issues with the major federal award program section in their audit report. One (1) of the three (3) agencies had a finding pertaining to the LIHEAP program which resulted in questioned costs of \$1,142. Corrective action for this agency is in process. The repeat finding caused the agency to have an adverse opinion. Two (2) of the three (3) agencies' findings pertained to other federal programs not administered by FSD such as Head Start and HUD.

FY2012 A-133 Audit Findings Summary

Twelve (12) of Missouri's nineteen (19) contract agencies submitted their FYE 2012 A-133 audit reports to the Family Support Division (FSD) and to Division of Finance and Administrative Services (DFAS). Eight (8) of the nineteen (19) contract agencies have not submitted their FYE 2012 A-133 audit reports because the due dates for submission are June 30,

State of Missouri Single Audit Report

The DSS should complete the planned grant close out reviews, report the results of those reviews to federal and state officials, and see recovery of all improperly used funds. In addition, the DSS should review its monitoring efforts of LIHEAP subrecipients to determine whether improvements are needed.

Auditee's response: We agree with the auditor's finding. Our Corrective Action Plan includes our planned actions to address this finding.

Completion date for corrective action: Fall 2012

Corrective action planned is as follows:

The FSD and Division of Finance and Administrative Services (DFAS) are working to complete the close out review for HDC that includes LIHEAP subrecipient monitoring. DSS will seek recovery of improperly used funds which will be reported to appropriate officials. DSS is working closely with HDC through the City of St Louis Circuit Court to seek recovery of state property and funds. DSS is strengthening subrecipient monitoring efforts with the implementation of the DFAS Compliance and Quality Assurance Unit.

State of Missouri Single Audit reported no LIHEAP findings for FY2012. No corrective action required for FFY2014.



2013, or later.

Ten (10) of the twelve (12) agencies who provided FYE 2012 audit findings did not have audit findings or questioned costs. Two (2) of the twelve (12) agencies contained financial statement and major federal program findings. One (1) of the two (2) agencies contained one (1) financial statement finding and three (3) major federal program findings. Two (2) of these three (3) findings pertained to the LIHEAP grant and the remaining finding pertained to Housing and Urban Development (HUD). The remaining agency with findings contained two (2) major federal program findings which both pertained to HUD.

Review of the State of Missouri Single Audit Report found one audit finding specific to the Low Income Home Energy Assistance Program (LIHEAP). The Human Development Corporation of Metropolitan St. Louis (HDC), a DSS subrecipient, misused at least \$669,704 of LIHEAP funds, according to Department of Social Services (DSS) personnel. During the state fiscal year 2011, the DSS paid the HDC LIHEAP funds totaling \$4,235,746. However, the HDC did not remit \$669,704 to the energy suppliers on behalf of LIHEAP clients as required by the LIHEAP program and contractual requirements. During September 2011 through December 2011, the DSS issued payments totaling \$669,704 from state funds to satisfy amounts due the energy suppliers. The DSS indicated it has increased the intensity of monitoring efforts for the HDC in early 2011 after the DSS was made aware of financial problems at the HDC. The DSS did not allow the HDC to participate in the

LIHEAP program during federal fiscal year 2012. The HDC voluntarily withdrew from the Community Services Block Grant program in September 2011, and filed for corporate dissolution in December 2011. DSS personnel indicated they have taken possession of HDC documents related to the federal grants and financial records of the HDC and they plan to conduct a review to determine whether other federal funds provided the HDC were properly expended. The DSS also indicated it has notified the applicable federal authorities and referred the matter to the Missouri Attorney General's office.

FY2013 A-133 Audit Finding Summary

2013 audit reports are not due at this time; therefore, not completed at this time.

Review of the State of Missouri Single Audit Report contained no audit findings specific to the Low Income Home Energy Assistance Program (LIHEAP).

No other State monitoring, Inspector General review or other Government Agency reviews of LIHEAP agency finances conducted in past three years.

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According to the Paperwork Reduction Act Of 1995 (Pub. L. 104-13), public reporting burden for this collection of information is estimated to average 1 hours per response, including the time for reviewing instructions, gathering and maintaining the data needed, and reviewing the collection of information.

An agency may not conduct or sponsor, and a person is not required to respond to, a collection of information unless it displays a currently valid OMB control number.

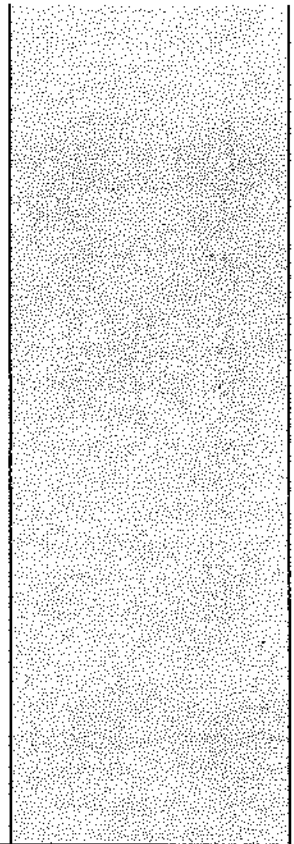
COMPLIANCE MONITORING			
Describe the Grantee's FY 2013 strategies that will continue in FY 2014 for monitoring compliance with State and Federal LIHEAP policies and procedures by the Grantee and local administering agencies.	Please highlight any strategies for compliance monitoring from your plan which will be newly implemented as of FY 2014.	If you don't have a firm compliance monitoring system in place for FY 2014, please describe how the State is verifying that LIHEAP policy and procedures are being followed.	Necessary outcomes from these systems and strategies
<p>In accordance with the State of Missouri Detailed Model Plan, at least one on-site monitoring visit is made by state LIHEAP personnel every three years for the purpose of reviewing eligibility determinations made by the contracted agencies and that procedures are in place to assure the right to apply for all LIHEAP programs.</p> <p>During these visits, program participant files are reviewed in detail to verify that the eligibility determination made by the agency was correct and that all established policies and procedures were followed in the decision making process. In addition, participant files are reviewed to verify any emergency services received were provided in accordance with LIHEAP policy and procedure. Utility vendors are contacted to verify pledging and payment processing is timely. At the conclusion of each visit, a conference will be conducted with the contracted agency's director or his/her designee during which all findings will be reviewed.</p> <p>When all monitoring has been completed, a report of all findings will be produced and distributed. Elements included will be payment accuracy, adherence to procedures, timely disposition of applications, report timeliness and accessibility of the program to needy households. Corrective action plans are requested for</p>	<p>Compliance monitoring of the contracted agencies will continue to be reviewed this next year to streamline and determine best practices.</p>	<p>N/A</p>	<p><i>A sound methodology, with a schedule for regular monitoring and a more effective monitoring tool to gather information.</i></p>

agencies found out of compliance.

In addition to these monitoring activities, per the Missouri State Plan, "A random sample of the contracted home energy suppliers are required to submit actual usage data on the past year for every customer who receives payment from LIHEAP.

Reference copy of the LIHEAP Review form used for purposes of monitoring for compliance with LIHEAP policies and procedures.

Beginning with FY2013, all contracted agencies must review thirty (30) LIHEAP applicant files at the close of each program year and provide the results of these reviews to State LIHEAP personnel. The submitted applicant files will be validated using a desk audit process by State LIHEAP personnel for accuracy.



FRAUD REPORTING MECHANISMS			
<p>For FY 2013 activities continuing in FY 2014, please describe all (a) mechanisms available to the public for reporting cases of suspected LIHEAP fraud, waste or abuse [These may include telephone hotlines, websites, email addresses, etc.]; (b) strategies for advertising these resources.</p>	<p>Please highlight any tools or mechanisms from your plan which will be newly implemented in FY 2014, and the timeline for that implementation.</p>	<p>If you don't have any tools or mechanisms available to the public to prevent fraud or improper payments, please describe your plan for involving all citizens and stakeholders involved with your program in detecting fraud.</p>	<p>Necessary outcomes of these strategies and systems</p>
<p>Currently, the public, sub grantees, vendors, clients and employees can report fraud, waste or abuse either through contact with their local LIHEAP contract agency, the State of Missouri Family Support Division Community Support Unit, the Missouri Attorney General Office, website ago.mo.gov and selecting "Consumer Complaints" or by accessing the Missouri Department of Social Services (DSS) website, dss.mo.gov and selecting "Report Public Assistance Fraud?" The DSS website includes energy assistance as an area which can be reported. The link http://www.dss.mo.gov/dls/pafraud.htm provides the opportunity to report the alleged fraud, waste or abuse. Reporting of fraud, waste or abuse concerning regulated utilities can be made through the Missouri Public Service Commission (PSC) at the following web site: http://psc.mo.gov/general/file_a_complaint.</p>	<p>The State of Missouri would like to continue to meet with its stakeholders and partners to further develop more formalized procedures in reporting fraud, waste, and abuse.</p> <p>The State of Missouri is revising the vendor agreement for FY 2014 and is specifically including verbiage which directly provides a mechanism for the vendors to report any suspected or known fraud.</p>	<p>N/A</p>	<p>Clear lines of communication for citizens, grantees, clients, and employees to use in pointing out potential cases of fraud or improper payments to State administrators.</p>

VERIFYING APPLICANT IDENTITIES			
Describe all FY 2013 Grantee policies continuing in FY2014 for how identities of applicants and household members are verified.	Please highlight any policy or strategy from your plan which will be newly implemented in FY 2014.	If you don't have a system in place for verifying applicant's identities, please explain why and how the Grantee is ensuring that only authentic and eligible applicants are receiving benefits.	Necessary outcomes from these systems and strategies
<p>The LIHEAP Policy and Procedures Manual, located at: (http://www.dss.mo.gov/fsd/liheap.htm) indicates factors which must be documented in order to be eligible for LIHEAP benefits. These factors are obtained and verified by the State of Missouri LIHEAP sub-grantees which are the nineteen designated LIHEAP contract agencies. The factors are Citizenship and Legal Permanent Resident Status, Social Security Numbers, Age, Disability, Resources, Home Energy Supplier, and income.</p> <p>Citizenship: Each household member must either be a citizen of the United States or admitted for legal permanent residence. United States citizenship for each member is documented by the applicant's statement on the LIHEAP application. If the applicant fails to complete the citizenship question on the application form, the applicant must be contacted and their statement recorded in the computer system. Legal permanent residence status will be documented by:</p> <ul style="list-style-type: none"> • FAMIS screens, if the individual is a member of an active Food Stamp case; • U.S. Citizenship and Immigration Services (USCIS) Form I-551 or 151 - Permanent Resident Card; • Re-entry Permit (a passport booklet for lawful permanent residents); • USCIS Form I-94, Arrival and Departure Record. This form must be annotated with one of the following terms or a combination of terms including refugee, parolee, paroled, asylum. Annotated with 204, 207, 208, 212 (d) (5), 243 (h), or 244 of the INS 	<p>The LIHEAP program does not plan to implement any new changes regarding how identities of applicants and household members are verified for FY2014.</p>	<p>N/A</p>	<p><i>Income and energy supplier data that allow program benefits to be provided to eligible individuals.</i></p>

Act. **NOTE:** Micronesians or Marshall Islanders with I-94's or I-94A's stamped CFA/MIS or CFA/RMI are not considered admitted for legal permanent residence status and are ineligible for LIHEAP benefits;

- USCIS Form I-688. This form must be annotated with a reference to Section 210 (a) of the Immigration and Nationality Act (Form I-688A or B is not acceptable);
- USCIS Forms G-845 and G-845 Supplemental, Document Verification Request forms. These forms may be downloaded from the USCIS website.

If another document is provided that is not identified above, clearance must be obtained prior to approval by FSD. Under no circumstances will the U.S. Citizenship and Immigration Services (USCIS) be contacted. It is the applicant's responsibility to provide documentation of legal permanent resident status.

NOTE: Social Security cards and Individual Taxpayer Identification Number (ITIN) documents are not documents that may be used to verify citizenship or legal permanent residency status.

Citizenship is not verified with any other government agency data bases.

Social Security Numbers (SSN): are requested and required for the applicant and all household members. SSNs are verified with the Social Security Administration through State Verification and Exchange System (SVES).

Age: Date of Birth (DOB) is requested for every household member on the LIHEAP application. Age must be documented if the applicant or spouse is age 65 or older as of the date of the application. If both are 65 or older, documentation is required only on one person.

Documentation is limited to the

following sources:

- Birth Certificate
- Census Bureau Report
- Drivers License
- Income Maintenance Participation and FAMIS screens
- Insurance Policy
- Medicare Card
- Military ID Card
- SSA 2458
- State ID Card
- Third Party Confidential Query (E1SI)

DOB is verified with the Social Security Administration through State Verification and Exchange System (SVES).

Disability: Disability must be documented if the applicant or spouse is disabled as of the date of the application. If both are disabled, documentation is required only on one person.

Disability is defined as total and permanently disabled or blind and is receiving one or more of the following:

- Civil Service Disability
- Medical Assistance
- Railroad Retirement Disability Benefits
- Social Security Disability Benefits
- State Aid to the Blind
- State Blind Pension
- State Supplemental Payments
- Supplemental Security Income Program
- Veterans Administration Disability Benefits

Documentation will be limited to the following sources:

- Award Letter
- Bank Statement indicating applicant/spouse receive SSI (under age 65)
- Benefit Check (with claim suffix A, DI, DC OR HA)

- Income Maintenance Participation screen (if under 65 case ID code letter E, on active cases)
- FAMIS Participation screen, Eligibility Unit Summary for EU notes as MA00#####ADM001
- Medicare Card
- SSA-2458
- Third Party Confidential Query Screens (E1SI/E1SN)
- VA toll free number (must be recorded on LIHEAP Case Notes [E1CN] screen)

If the applicant or spouse meet both the age and disability criteria, either factor may be documented.

Disability is not verified with any other government agency data bases.

Resources:

Resources are defined as the following:

- Annuities
- Bonds
- Certificate of Deposit (CD)
- Deposits in banks, savings and loan companies, credit unions, and other financial institutions
- Individual Retirement Account (IRA)
- Keogh's and Deferred Compensation Plans
- Money Markets
- Mutual Funds
- Stocks

NOTE: Households will be ineligible if total resources exceed \$3,000 after rounding down.

Resources will be considered available unless documented by the institution holding the resources that they are restricted or inaccessible. If the household provides documentation that it has access to only a portion of the resources, only the value of that portion will be counted toward the resource maximum.

The household is responsible for reporting all resources held at the time of application or acquired while the application is in process. The total value of all resources owned by each household member must be determined prior to approving the application. If documentation is required, the amount of resources will be determined as of the date the documentation is received.

Resources are not verified with any other government agency data bases.

Home Energy Supplier:

Home Energy Suppliers are documented with a complete bill or stub that indicates account name, address and account number which is dated no earlier than two billing periods prior to the application, verbal documentation from the home energy supplier, current written statement from the home energy supplier, a computer printout from the home energy supplier or paid receipt from the home energy supplier documenting the customer account name and address.

Participating Home Energy Suppliers verify account information through customer eligibility listings.

Income:

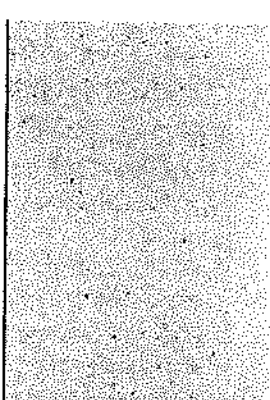
Income includes both earned and unearned income. Earned income includes wages including regular pay, vacation, sick leave, bonuses and tips, self employment earnings, sheltered workshop, supported employment (administered by the Division of Vocational Rehab), roomer/boarder income and other payments for services rendered. Unearned income includes the following: Adoption Subsidies, Alimony or Spousal Support, Armed Forces Allotments, Black Lung, Blind Pension (BP), Child Support, Foster Care (FC), Government Employee Pensions, Installment Payments, Private Pensions, Railroad Retirement Benefits (RRB), Rent Payments received

on Land/Buildings, Royalties, Social Security Administration Benefits (SSA), Strike Benefits, Supplemental Aid to the Blind (SAB), Supplemental Security Income (SSI) Disability Payments, Supplemental State Payments (SSP), Support from an individual(s) outside the LIHEAP household including contributions, personal loans, stipends and allotments from nursing homes, Temporary Assistance for Needy Families (TANF), Unemployment Compensation Benefits (UCB), Veterans Administration, Workman's Compensation.

All gross earned and unearned income for each household member must be documented. If the declared income minus allowable deductions/exclusions exceeds the maximum, documentation will not be required. Documentation includes payroll check stubs, verbal documentation from employer, employee wage documentation report, employment security screen for unemployment benefits, statement from employer with current date, 1040 Federal Income Tax return, income maintenance payroll information, copy of benefit check, award letters, bank deposits slips/statements, verbal documentation, child support payment records, rent records, contracts, signed and dated statement from tenant or cancelled checks.

Income documentation is not always verified with a government agency. Earned income documentation of paycheck stubs or verbal confirmation with the employer serves as verification. For unearned income, TANF benefits and UCB are taken from state data bases. Some SSA information is obtained through an SSA data base while other is verified by award letter.

SOCIAL SECURITY NUMBER REQUESTS			
Describe the Grantee's FY 2014 policy in regards to requiring Social Security Numbers from applicants and/or household members applying for LIHEAP benefits.	Please describe whether the State's policy for requiring or not requiring Social Security numbers is new as of FY2014, or remaining the same.	If the Grantee is not requiring Social Security Numbers of LIHEAP applicants and/or household members, please explain what supplementary measures are being employed to prevent fraud.	Necessary outcomes from these systems and strategies
<p>The LIHEAP Policy and Procedures Manual states, "Social Security Numbers must be documented for each household member. Documentation is limited to the following sources:</p> <ul style="list-style-type: none"> • Award Letters • Copies of documentation on file • Drivers License that includes SSN • HUD-5059 • Medicare Card, if client is primary beneficiary (Code A) • Military ID Card • Monthly Bank Statement • E1ES, FAMIS screens • School Records • Social Security Card or SSA printout • State ID Card • Tax Forms, W-2 Form • Third Party Confidential Query (E1SI) • Wage Stubs <p>NOTE: Individual Taxpayer Identification Number (ITIN) documents are not documents that may be used to verify an individual's Social Security Number.</p> <p>Any household member that does not have a Social Security Number must be advised to apply for one at the Social Security office. Once the application for a Social Security Number has been documented, a pseudo number for that household member can be assigned. Documentation will consist of a signed and dated statement or SS-5 from the Social Security Representative or a Receipt for a Social Security Number (SSA-5028). The applicant must be advised to return the statement, SSA-5028 or copy where it must be retained in the case record. The applicant must be</p>	<p>This policy is not new for FY 2014. The State of Missouri has been using Social Security documentation of all members since FY 2009.</p>	<p>N/A</p>	<p><i>All valid household members are reported for correct benefit determination.</i></p>

<p>advised to report the assigned Social Security Number once it is received. If the applicant does not provide documentation within the specified time frame, the application will be denied. There are two exceptions to this requirement: Applied or receiving Income Maintenance (IM) services or if the household member is one year of age or younger from the month prior to the date of the application.</p>			
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CROSS-CHECKING SOCIAL SECURITY NUMBERS AGAINST GOVERNMENT SYSTEMS/DATABASES			
Describe if and how the Grantee used existing government systems and databases to verify applicant or household member identities in FY 2013 and continuing in FY 2014. (Social Security Administration Enumeration Verification System, prisoner databases, Government death records, etc.)	Please highlight which, if any, policies or strategies for using existing government databases will be newly implemented in FY 2014.	If the Grantee won't be cross checking Social Security Numbers and ID information with existing government databases, please describe how the Grantee will supplement this fraud prevention strategy.	Necessary outcomes from these systems and strategies
<p>The State of Missouri enters Social Security Numbers into the Department of Social Services Common Client Data Update screen. This is referred to as the common area. A Departmental Client Number (DCN) is assigned which tracks member's full name, date of birth, demographics and social security number. Quarterly, a tape match (State Verification and Exchange System - SVES) is sent to the Social Security Administration (SSA) to verify and confirm Social Security Numbers that are entered into the common area. Responses return as "V" verified upon a positive response from the Social Security Administration via this tape match. For LIHEAP members who's Social Security Numbers return as "Not Verified" by the Social Security Administration (SSA) tape match run against the common area, a report is generated. This report is reviewed by State LIHEAP personnel for follow-up with the nineteen (19) contracted agencies in an attempt to obtain the correct Social Security Number for these members. In addition, Missouri tape matches with SSA death match information and generates a report daily for follow up with LIHEAP contractors.</p>	<p>The State of Missouri utilizes existing government systems and data bases including the Social Security Administration (SSA) Enumeration Verification System and SSA death records match and will not implement additional policies or strategies for FY 2014.</p>	<p>N/A</p>	<p><i>Use of all available database systems to make sound eligibility determination.</i></p>

VERIFYING APPLICANT INCOME			
Describe how the Grantee or designee used State Directories of new hires or similar systems to confirm income eligibility in FY 2013 and continuing in FY 2014.	Please highlight any policies or strategies for using new hire directories which will be newly implemented in FY 2014.	If the Grantee won't be using new hire directories to verify applicant and household member incomes how will the Grantee be verifying the that information?	Necessary outcomes from these systems and strategies
<p>The Missouri LIHEAP Policy and Procedures Manual indicates all members age eighteen (18) and over that have income must provide documentation of this income, including paycheck stubs, award letters or income tax returns. The State of Missouri system requires the LIHEAP contract agencies to access the Missouri Division of Employment Security to view past quarterly earnings, to determine whether: a member age eighteen (18) and over has had recent earnings; and to access unemployment benefit amounts paid to household members. The LIHEAP contract agencies must also review the Missouri Division of Employment Security screen to determine if any household member age eighteen (18) and over indicate more than one source of income. The State of Missouri also allows the contract agencies access to Social Security Administration information to obtain verification of SSA and SSI benefits received. The information retrieved from the Social Security Administration can only be accessed by the contract agencies for LIHEAP program eligibility and cannot be accessed or used for other federal and state funded programs.</p> <p>Income exclusions: Retroactive/Deficiency Payments: Income Maintenance Benefit Retroactive/Deficiency payments made under the Income Maintenance programs will be</p>	<p>N/A</p>	<p>The State of Missouri will not grant access to The Work Number for the nineteen (19) contract agencies due to high administrative costs. Missouri also will not be using new hire directories to verify applicant and household member income due to federal law restrictions addressing the State Database on New Hire reporting Title 42, Chapter 7, Subchapter IV, Part D, Section 653a. (h). A Guide to the National Directory of New Hires found on the Department of Health and Human Services Office of Child Support Enforcement web site indicates that LIHEAP is not included in sharing this information.</p>	<p><i>Effective income determination achieved through coordination across program lines.</i></p>

excluded when received in the month prior to the month of application.

Federal Entitlement, Private Pension and Social Security retroactive or deficiency payments will also be excluded. Only the regular monthly benefit amount will be counted as income.

Overpayments:

Overpayments from the following sources:

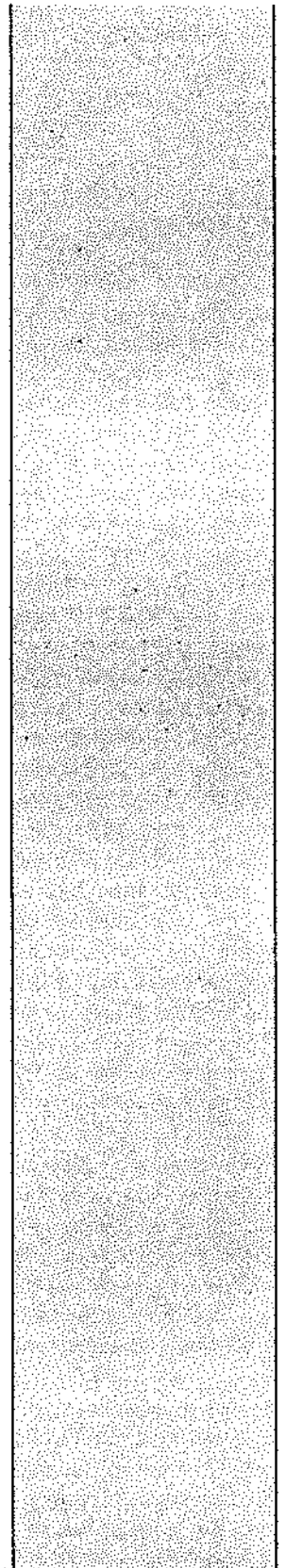
- Black Lung
- Government Employee Pensions
- Income Maintenance
- Private Pensions
- Railroad Retirement Benefits (RRB)
- Social Security Administration (SSA)
- Supplemental Security Income (SSI)
- Unemployment Compensation Benefits (UCB) that are being deducted from the current benefit amount will be excluded
- Veterans Administration Benefits (VA)

NOTE: Only income actually being received from these sources will be counted as income.

Income Which the Household Has No Control:

Income received over which the household has no control is the following:

- Reimbursement for expenses incurred in connection with employment and/or training. This exclusion refers only to reimbursement, such as mileage for job related travel expenses, etc. This is not to be interpreted to allow for expenses of producing



income.

- Reimbursement for medical expenses. (Examples: Medicare and Veterans Administration Aid and Attendance).
- Reimbursement for Foster Care expenses such as clothing/transportation.
- Payments made to others on behalf of a household will be excluded. These payments occur when a person or organization outside the household uses its funds to make a direct payment to either the household's creditors or to a person or organization providing a service to the household.
- Any gain or benefit that is not in the form of money which is received by any household member will be considered income-in-kind and excluded.
- Representative payments paid to the household on behalf of another household which is unable to manage the payment.

Personal Loans:

Personal loans in which a written repayment agreement dated prior to the date of application has been documented. Personal loans will be excluded as income to both the individual receiving the loan and the individual receiving the payment on a prior loan.

Earnings of Children:

Earnings received by a child residing in the household who is documented as attending high school. Verbal documentation from the school will be accepted and must be recorded on the LIHEAP Case Notes (E1CN) screen. This will also apply to children attending GED classes or home-schooled children.



Interest/Dividend Income:

Interest income received from the following sources will be excluded:

- Annuities
- Certificate of Deposit (CD)
- Corporate/Municipal bonds
- Individual Retirement account (IRA)
- Keoghs and Deferred Compensation plans
- Savings/Checking accounts
- Series E, EE, H or I bonds

NOTE: Dividends from stocks or mutual funds will also be excluded.

Lump Sum Payments:

Lump sum payments will be excluded as income, but counted as a resource if deposited in the bank. These will include, but are not limited to the following:

- Birthday and Christmas gifts
- Capital Gains
- Infrequent bonuses
- Insurance settlements
- Sale of personal property
- Senior citizen's tax credits
- Tax refunds

Student Income:

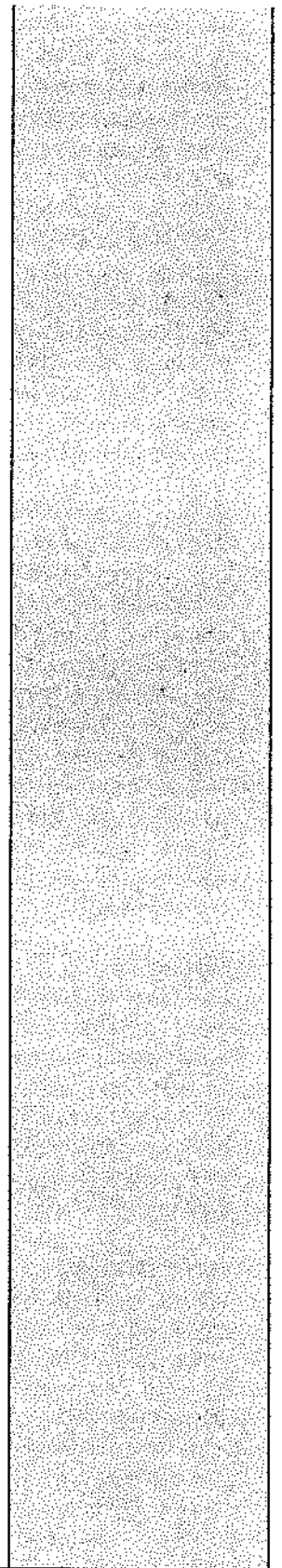
The following student income will be excluded:

- Cash gifts or awards
- Fellowships
- Grants
- Loans
- Scholarships
- Veteran's educational benefits
- Work study

Miscellaneous Exclusions:

The following miscellaneous income will also be excluded:

- Payments or allowances made under any Federal, State or Local laws for the



purpose of Energy Assistance. This will include HUD rent/utility subsidies. LIHEAP payments will not be considered as income or a resource in establishing a household's eligibility for any other programs operated by a Contract Agency.

- Payments for relocation made to persons displaced by Federal or Federally-Assisted programs which acquire real property.
- Compensation provided to volunteers in the Foster Grandparents Program, VISTA or the AmeriCorp Program.
- Reimbursements for transportation and attendant care costs when received by an eligible handicapped individual employed in a project under Title VI of the Rehabilitation Act of 1973.
- Income received under Title V of the Older Americans Act; this includes Experience Works formerly known as Green Thumb income.
- Payments made to individuals because of their status as victims of Nazi persecution shall be disregarded in determining eligibility for Energy Assistance.
- Agent Orange settlement payments to veterans from Aetna Life and Casualty.

NOTE: Monthly VA benefits issued by the Department of Veterans Affairs as a result of exposure to Agent Orange are considered income.

- Earned Income Tax Credits (EITC) received as a lump sum or as advance payments will be excluded.
- Supportive service, stipends, needs-related and work



experience payments received under the Workforce Investment Act of 1998 (WIA).

NOTE: Payments made to individuals under WIA's On-the-Job Training program are considered earned income and are not excluded.

Income exceptions

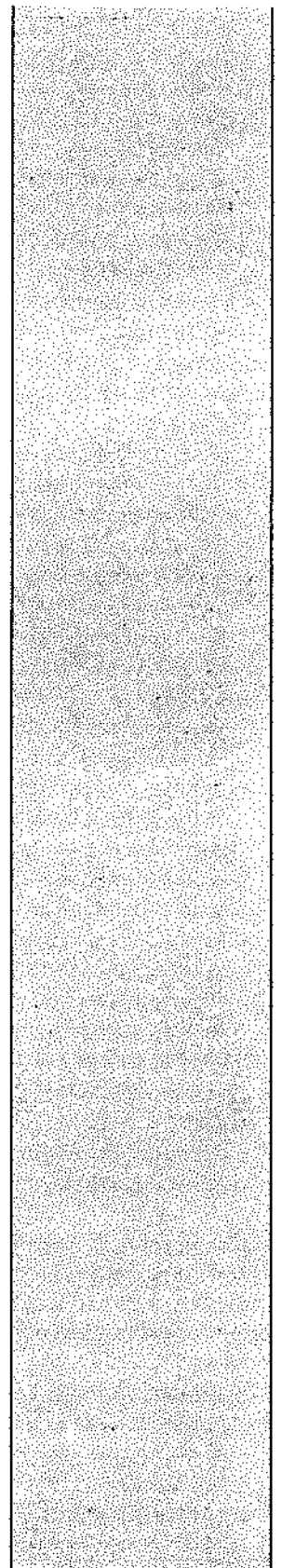
Social Security/Supplemental Security (SSI) Or Railroad Retirement (RRB): If the prior month's income documentation is not available, we can use the current year's benefit amount or the future year's benefit amount, provided the EA payment level is not affected.

Rental Income: Income from the rent of land and/or buildings that is not received on a monthly basis must be prorated to a monthly amount. If received annually, divide by 12; semi-annually, divide by 6; etc.

NOTE: Conservation Reserve Program (CRP) payments will be considered as rental income.

Installment Income: Income from the installment sale of property including interest and principle that is not received on a monthly basis must be prorated to a monthly amount. Any legal obligations against the property that are not paid on a monthly basis must be prorated to a monthly amount. If received annually, divide by 12; semi-annually, divide by 6; etc.

Self-Employment Income: A self-employed person is defined as an individual who has filed a current Federal Income Tax Return Form 1040 and is presently self-



employed in the same profession.

Use last year's 1040 unless the household has filed for the current year. If the 1040 has not been filed, does not reflect a full year's income or the individual is no longer self-employed in the same profession, follow the income determination procedures.

NOTE: Reference Earned Income; Self-Employment/Partnership Income in the Application section to determine which income should be included when using the 1040 for verification of income.

Partnership Income: Partnership income is identified on the Federal Income Tax Form 1040 and will be computed in the same manner as self-employment income. If any rental income is included in the partnership income, the rental income will be computed separately using the rental income procedures previously described.

NOTE: Reference Earned Income; Self-Employment/Partnership Income in the Application section to determine which income should be included when using the 1040 for verification of income.

Excess Income/Crisis Situation:

All of the following conditions must be met to exercise the excess income/ crisis situation exception:

- Income for the month prior to the month of application causes ineligibility.
- The household must be documented as being in a crisis situation; meaning their service is threatened or terminated.
- Household member no longer has any income. The

particular individual must have zero income as of the approval date. It must be documented that the prior month's income has been terminated. Telephone documentation will be acceptable. Documentation will include the date of contact, name and title of person contacted and the date income was terminated. If this person has other sources of income, this exception will not apply.

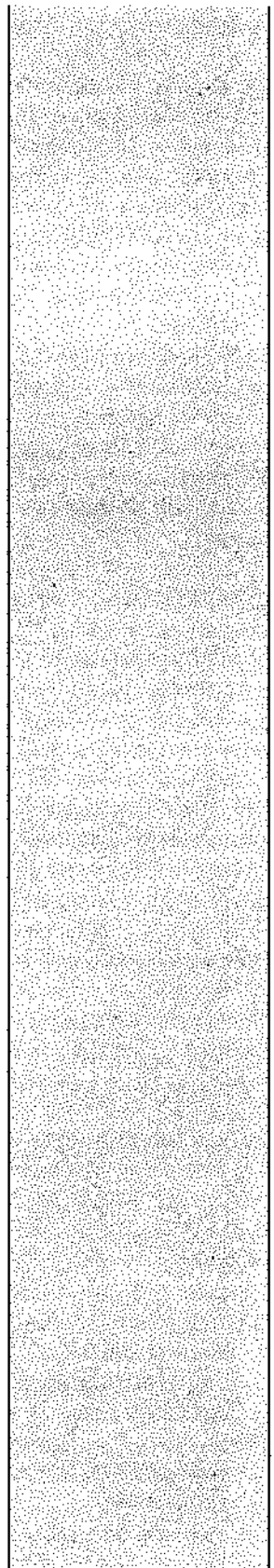
When the above conditions are met, household income will be recomputed by excluding the income that has been terminated. Any income received from the terminated income in the current month must be documented and included. Telephone documentation will be acceptable and must be recorded on the LIHEAP Case Notes (E1CN) screen. If the household is income eligible based on the new computations, the application will be processed.

Income deductions:

Earned Income Deduction Of 20%:
This deduction applies to employment income including wages, vacation pay, regular bonuses, overtime, tips, sick leave, maternity leave, roomer/boarder and self-employment income.

Medical Deduction for Elderly/Disabled:

This deduction is automatically given to households in which the applicant or spouse is elderly (age 65 or older) or disabled. These households will be entitled to a \$100 deduction for medical expenses. Only one \$100 deduction will be allowed, even if both applicant and spouse meet either or both criteria.



Child Support Payments:

All child support payments paid by any household member to someone outside the household during the month prior to the month of application will be an allowable deduction. Child support payments must be documented in the case file in order to be allowed as a deduction. This deduction will be entered on the LIHEAP Member Income Detail (E1ID) screen for the specific applicant or member who is paying the child support.

Supplemental Medical Insurance (SMI) Premium:

The SMI premium is an allowable deduction for all household members who are paying the premium. SMI is an additional health cost that is available to persons receiving Social Security and Railroad Retirement Benefits. The client must be 65 or older or disabled and receiving Social Security/Railroad Retirement disability for two years to be eligible for SMI benefits. If the client receives Income Maintenance benefits (IM), the State of Missouri may be paying the SMI premium on behalf of the client. This is referred to as "buy-in" (B/I); therefore, no deduction would be allowed.

Medicare Part D Prescription Drug Coverage:

The Medicare Part D deduction is an allowable deduction for all household members who are paying the premium.

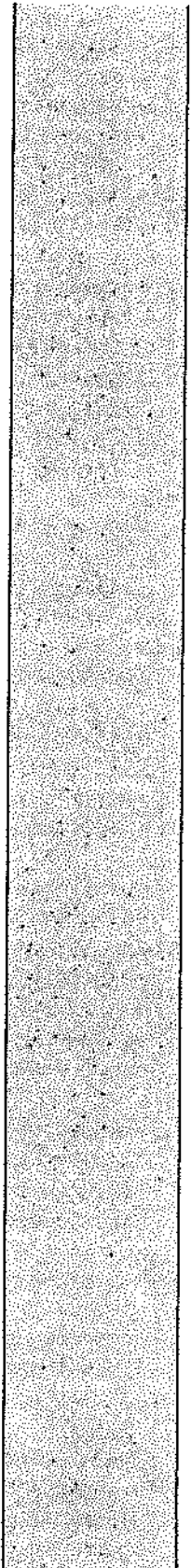
PRIVACY-PROTECTION AND CONFIDENTIALITY			
Describe the financial and operating controls in place in FY 2013 that will continue in FY 2014 to protect client information against improper use or disclosure.	Please highlight any controls or strategies from your plan which will be newly implemented as of FY 2014.	If you don't have relevant physical or operational controls in place to ensure the security and confidentiality of private information disclosed by applicants, please explain why.	Necessary outcomes from these systems and strategies
<p>The Missouri LIHEAP Policy and Procedures Manual include confidentiality policy. This policy states, "The information accessed in the EA System is confidential and should not be shared outside of the requirement to determine a household or individual eligible or ineligible for LIHEAP. NOTE: Only LIHEAP staff will be granted security access to the LIHEAP system. Staff from other agency programs will not be granted security access to the LIHEAP system. Viewing information on the computer screen and printing information for the case record should be done with great attention to keeping confidential information secure. Listed below are a few ideas to help secure confidential information:</p> <ul style="list-style-type: none"> • Log off the EA System before leaving your station • Pay attention to who can see computer screens and what information is being displayed • Pick up printed records immediately from network printers • Do not leave records unattended on desks • Enclose paperwork in a folder, file and lock the drawer it is kept in • Use Departmental Client Numbers (DCN) instead of Social Security Numbers (SSN) for emails or any internet transmission. NOTE: If transmitting reports with SSN's, use encryption with password before sending on the internet. <p>Efforts have been taken to include</p>	<p>No additional control or strategies will be newly implemented in FY 2014.</p>	<p>N/A</p>	<p>Clear and secure methods that maintain confidentiality and safeguard the private information of applicants.</p>

functionality in the EA System to protect customer information. If more than twelve minutes elapses between transactions, the user will see a pop-up window with a notification that the browser will be closed in three minutes if an actual transaction is not initiated.

When disposing of confidential information, users should ensure it is being shredded before it is recycled or disposed. This practice will guard against fraud and serve to protect our customers. Examples of confidential information include Social Security Number, DCN, date of birth, address, name, etc.”

Contract agencies are required in contracts to comply with all LIHEAP policy.

The State of Missouri LIHEAP requires all users, including contract staff, to read and sign the Confidentiality and Information Security Agreement for understanding, terms, and conditions. They must then enter their name, social security number, and office location on the State of Missouri Department of Social Services Access Request document. By signing this document they are agreeing to the following, “I, the undersigned, an employee or authorized contract representative of the State of Missouri, understand that approval and assignment of the requested ID or approval of the requested change enables me to access the resources, which by law, must be utilized only in the performance of my assigned duties. Therefore, I agree to make no inquiries or updates except in the performance of my official duties. I understand that state and federal statutes require confidentiality of information and provide penalties for unauthorized access, use, and/or disclosure of information. Violation or disclosures on my part may result in disciplinary action that may include



one or all of the following: (1) suspension, (2) civil court action, and (3) dismissal. I agree to keep confidential all information made available to me in the performance of my official duties. In addition, I agree not to divulge or share my password with anyone". In addition, a third document titled "Missouri Department of Social Services Confidentiality Agreement" must also be reviewed and signed. The State of Missouri LIHEAP program requires user ID's and passwords for system access. Passwords must be changed every ninety days.

The State of Missouri monitors the nineteen contract agencies for compliance and best practices. Part of this monitoring review entails an inquiry into how they safe guard confidentiality of customer information. Contract agencies have their own confidentiality agreement that their staff must also sign in addition to any forms required by the State of Missouri.

Home Energy Suppliers have limited access to the Missouri LIHEAP system. Their access is limited to supplier related screens. In addition, each supplier is limited to viewing the customer data which applies to their business only.

Contract agencies and Home Energy Suppliers are not permitted to enter social security numbers in correspondence that is being sent through email/internet services unless a password protected mechanism is utilized. FSD has implanted an automatic encryption process any time a document or email contains a SSN or DCN.

The State of Missouri LIHEAP application for Heating and/or Cooling Assistance automatic mail-out applications identify an applicant by

their Departmental Client Number and does not include social security numbers.

The State of Missouri LIHEAP generates reports to contract agencies weekly/monthly through the internet. These reports are encrypted prior to being emailed to the contract agencies.

Safe At Home Program:

The Safe at Home (SAH) address confidentiality program provides survivors of sexual assault, rape, stalking, and domestic violence a substitute mailing address through the Secretary of State's office. Participants use an SAH assigned address and his/her correspondence is forwarded to his/her actual mailing address by the Secretary of State's office. These services limit an assailant's ability to access public information that could identify the new location of a victim who is in the program. Safe at Home is not a witness protection program; rather it is a mail forwarding service.

Participants in the Missouri SAH program share a common post office box (P.O. Box 1409, Jefferson City, MO 65102-1409), but are assigned a unique authorization number (a six-digit number). The address provided by SAH participants is:

Participant's Name
Authorization # XXXXXX
P. O. Box 1409
Jefferson City, MO 65102-1409

Should a LIHEAP applicant use the SAH post office box address (P.O. Box 1409, Jefferson City, MO 65102-1409), the contract agency employee shall enter the SAH address on the applicable EA screen. The contract employee shall not require a physical address.

The Secretary of State's office issues

SAH program participants a blue certification card which indicates the named individual is certified to use the assigned authorization number. A LIHEAP applicant providing an SAH post office box shall present such certification card. If the LIHEAP applicant does not have such certification card on his/her person, the contract employee shall contact the Secretary of State's office toll free at 866-509-1409 to verify the individual's participation in the program and certification to use the authorization number.

Participation in the SAH program is not confidential information nor is the participant's authorization number. However, the participant's actual mailing address and/or physical address are confidential.

Information Not to Be Released to Landlords:

FSD employees and persons and entities under contract with FSD shall not disclose the identity of a LIHEAP applicant and/or the status of an application to a landlord.

Encryption of E-mail:

Email is not a secure (encrypted) method of transmitting information. Transmitting information of a confidential or sensitive nature (i.e. Federal Tax Information (FTI), Protected Health Information (PHI), Personal Identifying Information (PII) such as SSN or DCN, etc.) via email requires the e-mail to be encrypted. When transmitting confidential information via e-mail to a non-State e-mail account, State employees shall type [encrypt] in the subject line. This will encrypt the contents of the e-mail and attachments sent in the e-mail. (Note: A non-State e-mail account is one that does not have a mo.gov e-mail address).

Persons who are not State employees using a non-State email account shall

send an encrypted e-mail to a State recipient (one who has a mo.gov email address) by following "Instruction #3: How DSS clients, business partners and end-users can send an encrypted email to DSS" found at:

<http://dss.mo.gov/encrypt.htm>.

When transmitting confidential information via e-mail from a non-State e-mail account to another non-State e-mail account, the e-mail must be encrypted.

Sunshine Requests: LIHEAP case specific records, including case notes, are not public records and therefore, exempt from the sunshine law.

Confidentiality - Authorized Disclosures of Case Specific (Confidential) Information include:

Lifeline and SafeLink - Lifeline is a government program that offers qualified low income households a discount on their monthly local telephone bill. SafeLink Wireless is for individuals to access the federal Lifeline program through wireless phone services rather than a traditional home phone service.

Federal guidelines require telecommunications carriers to establish a customer's eligibility by allowing them to sign a form that self-certifies that they participate in a program administered by FSD including LIHEAP. Missouri also requires the telecommunications carrier to obtain documentation that proves a customer receives benefits from the approved programs. Applicants can provide this documentation by giving the telecommunications carrier a copy of his/her Energy Assistance Eligibility Notice (EA-6).

Upon signed, written authorization from a LIHEAP applicant, the contract agency shall provide a copy of the



LIHEAP Registration (E1RG) screen to the telecommunications carrier. The written authorization must include the applicant's name, address, social security number, signature, and reason for the request.

State Legislators:

State legislators include the constituent's name and address in their request for information. This indicates that the legislator knows the constituent is a recipient of LIHEAP services and allows FSD staff and entities under contract with FSD to disclose the party's information to the legislator.

Personal Representative or Advocate:

FSD employees and persons and entities under contract with the State of Missouri may discuss a LIHEAP application and/or LIHEAP case information with a third party (identified by the applicant) upon verbal or written request from the applicant.

Any Member on the LIHEAP Case:

With a written, signed request and proof of identification, information in the LIHEAP case file can be copied and provided to any responsible member on the case.

LIHEAP BENEFITS POLICY			
Describe FY 2013 Grantee policies continuing in FY 2014 for protecting against fraud when making payments, or providing benefits to energy vendors on behalf of clients.	Please highlight any fraud prevention efforts relating to making payments or providing benefits which will be newly implemented in FY 2014.	If the Grantee doesn't have policy in place to protect against improper payments when making payments or providing benefits on behalf of clients, what supplementary steps is the Grantee taking to ensure program integrity.	Necessary outcomes from these systems and strategies
<p>LIHEAP Policy and Procedures Manual states the following: Documentation of natural gas, electricity, tank propane and fuel oil will not be required for the EA component for cases approved in the prior year if all of the following conditions are met: Same participating home energy supplier, same heat source, same account name, and same account address. If the documentation procedure described above does not apply, the following procedures must be used when documenting the LIHEAP energy source:</p> <p>Natural Gas / Electricity There are five (5) documentation source options:</p> <ul style="list-style-type: none"> • A complete bill or stub that identifies account name, address and account number which is dated no earlier than two billing periods prior to the application date for active accounts or a final bill dated later than March 31 of the previous program year. NOTE: If bill/stub does not meet the required time frame or does not identify the account name, verbal documentation must be obtained from the fuel supplier. • Verbal documentation obtained from the supplier must be recorded on the LIHEAP Case Notes (E1CN) 	<p>The State of Missouri will implement system enhancement request for real-time online notification of possible duplicate address as addresses are being entered in the LIHEAP system for FY2013. Only one payment for EA should be made to one household per program year. Due to time constraints, the State of Missouri was unable to complete this task in FY2013; however; the State of Missouri is currently on target to initiate system testing toward this system enhancement with projected implementation for FY2014. Conducting training survey to vendors to determine training needs.</p>	<p>N/A</p>	<p>Authorized energy vendors are receiving payments on behalf of LIHEAP eligible clients</p>

screen which is accessed from any LIHEAP screen and should include the date contacted, person contacted, current account name, current address, customer account number and fuel type.

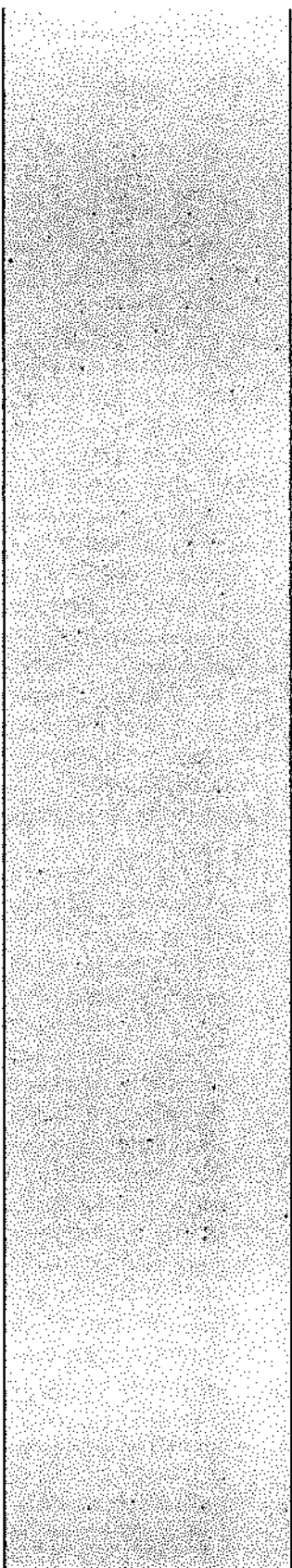
- A current written statement from the fuel supplier documenting the account name, number and address. NOTE: For pre-paid electric customers, the statement should also include the amount to maintain service for thirty (30) days which can be determined by the supplier indicating an average monthly use.
- A current computer printout from the fuel supplier documenting the customer account name, number and address.
- A paid deposit receipt from the fuel supplier documenting the customer account name and address.

Fuel Oil, Propane and Kerosene

There are three (3) documentation sources:

- A fuel supplier bill or delivery ticket that identifies the customer name and indicates the applicant has purchased fuel or paid on an account on or after July 1 of the current program year.
- A current written statement from the fuel supplier documenting that the applicant is a current customer.

NOTE: If the fuel supplier bill, delivery ticket or written statement does not indicate a fuel purchase or payment on or after July 1, verbal documentation must be obtained from the fuel supplier.



- Verbal documentation obtained from the supplier must be recorded on the LIHEAP Case Notes (E1CN) screen which is accessed from any LIHEAP screen and should include the date contacted, person contacted, current account name, current address, customer account number and fuel type.

Wood Including Wood and Corn Pellets

The only acceptable documentation source will be a statement from the supplier dated July 1 or later in the current program year, indicating the applicant has purchased wood or pellets and has been charged for this or paid for labor to cut wood. The wood statement must include the date of purchase/charge, supplier name, buyer's name and amount paid.

NOTE: Households that cut their own wood will not be eligible.

Low Income Home Energy Assistance Program (LIHEAP) Energy Assistance (EA) payments will be made to either a participating home energy supplier or directly to the household in a one-time lump sum payment. Home energy supplier shall be defined as a public or private business engaged in the retail sale of home heating fuel and includes the following:

- Public or private investor owned utilities
- Municipally owned utilities
- Rural electric cooperatives
- Privately owned distributorships

Participating home energy suppliers sign a yearly contract with the State of Missouri.

Energy Crisis Intervention Program (ECIP) payments are made only to suppliers who have contracted with a contract agency to resolve the crisis situation. The maximum benefit amounts for ECIP are \$800 for the winter component and \$300 for the summer component.

The contract agency contracts or written agreements with home energy suppliers, who do not have a current LIHEAP agreement with the Family Support Division (FSD), will stipulate the following minimum conditions for receipt of ECIP funds:

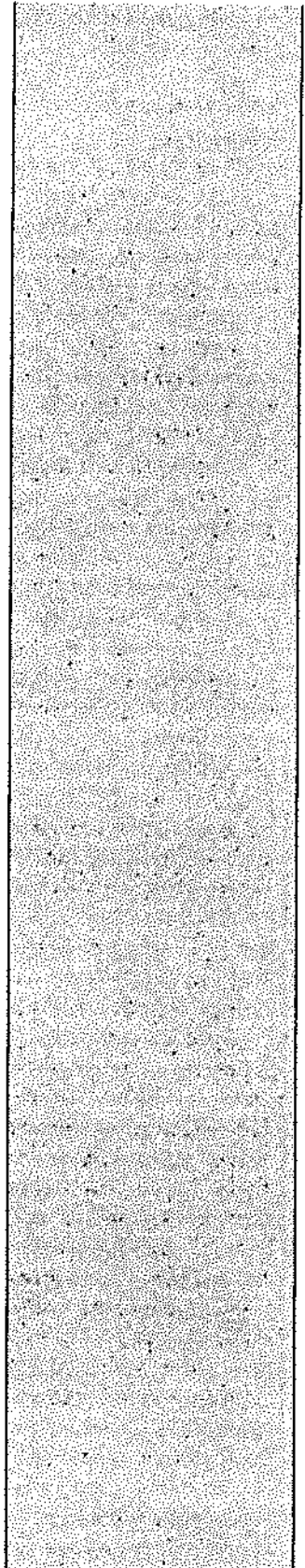
- The supplier will not discriminate against ECIP customers with regard to:
- The price they are charged for fuel in comparison to other customers of the supplier;
- The conditions for delivery of fuel, provided the contract agency has made a commitment to pay for the delivery; and
- The assessment of late payment charges for the time period after the contract agency has made a commitment and the payment is made to the energy supplier, provided the time period does not exceed 20 calendar days.
- The supplier will only charge the ECIP customer the difference between the cost of home energy they purchase and the amount of payment made by the contract agency and/or FSD.
- The supplier will credit payments made by the contract agency to an ECIP household's account within 5 working days after the payment is received.

- Suppliers subject to regulation by the Missouri Public Service Commission will comply with all rules, regulations, policies and procedures issued by this entity that relate to the provision of home energy services to their low income customers.
- Suppliers will not apply ECIP funds to deposit fees or any other charges not incurred as the direct result of home energy consumed by the eligible ECIP customer. This includes tank (pressure) tests, reconnect fees, deposits and tank pick-up/removal.

For non-participating home energy suppliers when the EA component of the application is approved, a direct payment will be sent to the applicant to make payment on their primary heat source. The applicant will be responsible for making this payment and negotiating directly with their supplier to resolve their energy crisis situation. You will also explore the need for additional crisis assistance. If the need for ECIP funds is established, a contractual agreement with the supplier will be completed for acceptance of the ECIP payment.
NOTE: ECIP does not make direct applicant payments.

Summer ECIP Only

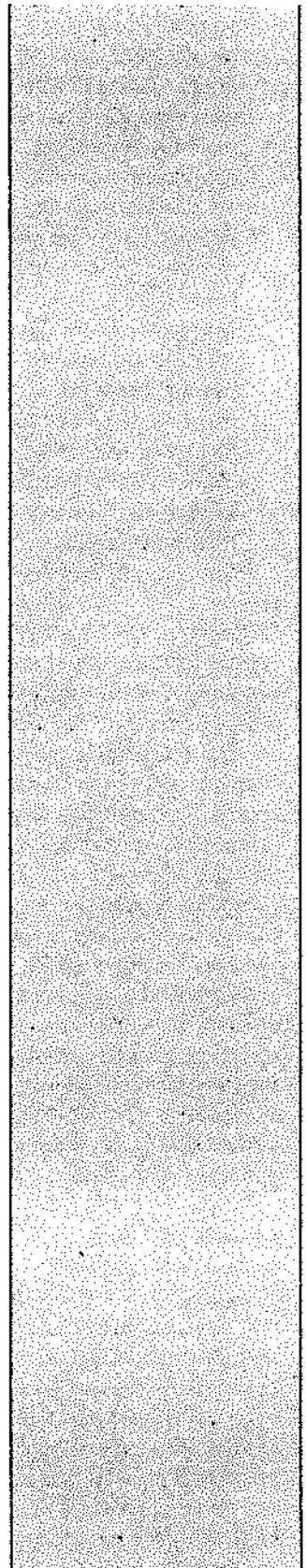
Summer ECIP payments will be pledged and issued to suppliers that have a contractual agreement with the contracted agencies on behalf of all eligible households beginning June 1 and ending September 1, unless funds are exhausted prior to that date. The maximum payment amount will be \$300. When negotiating with the supplier, only the amount



needed to resolve the energy crisis will be paid.

Home Energy Supplier Payment Procedures

Low Income Home Energy Assistance Program (LIHEAP) Energy Assistance (EA) payments are made directly to participating home energy suppliers through a centralized computer system. Participating suppliers receive payment information and send responses to the Family Support Division (FSD) through File Transfer Protocol (FTP), directly on the FSD website or by a paper process. The process used to send and receive information will determine the access that is needed to the EA System. After a contracted agency has determined a case is eligible to receive a LIHEAP EA payment and the customer has a participating home energy supplier, a Customer Eligibility Listing (CEL) report will be generated to the home energy supplier. The Customer Eligibility Listing will identify each eligible customer by name, address, customer account number and social security number. The home energy supplier will be responsible for completing the responses and returning them to the Family Support Division (FSD) by the due date indicated on the form. The home energy supplier will verify the name, address, customer account number and indicate if they will accept the payment. If the payment is denied, a printout is generated to the local contracted agency to review this listing to determine if there is a data entry error, additional funds are needed or contact the customer for additional information. Corrections are made and resubmitted to the home energy supplier. An Energy



Assistance Eligibility Notice (EA-6) is also sent to the applicant notifying them that the payment was denied by the home energy supplier.

System safeguards against duplicate payment:

- LIHEAP system does not allow same SSN to be approved on multiple Energy Assistance (EA) cases. Online edits prevent duplicate SSN entry.
- Applicants indicate on the LIHEAP application the home address to receive the Energy Assistance (EA) one-time payment. **NOTE:** Should a supplemental payment be generated, this is in addition to the one-time EA payment. Missouri has a "Duplicate Households" report which identifies when more than one household has reported the same address when applying for LIHEAP.

Assurance in paying home energy suppliers directly:

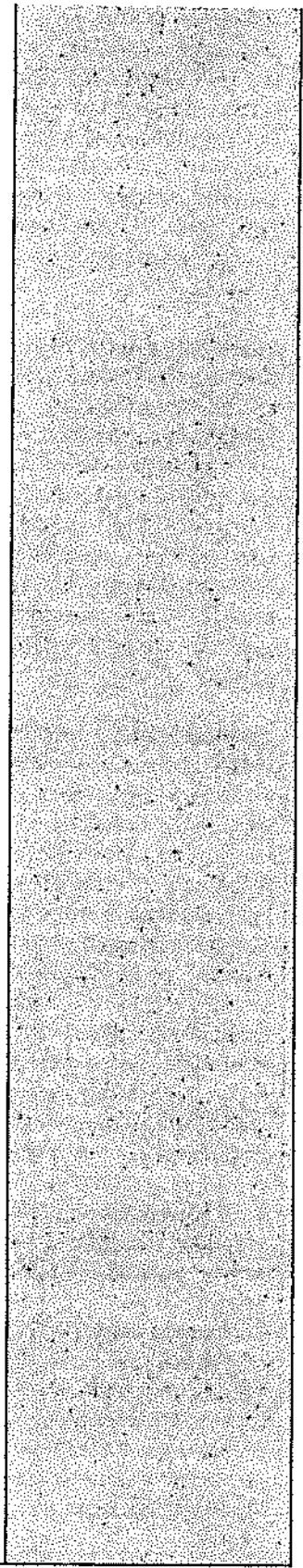
To meet the assurance that a state may choose to pay home energy suppliers directly, a notification must be sent to the household on which the assistance was paid to the supplier directly. This notice is the Energy Assistance Payment Notice (EA-7). The EA-7 is issued after the supplier response is received.

Supplier Monitoring:

Suppliers are monitored through a random sample and are required to submit actual usage data on the past year for every customer who receives payment from LIHEAP.

Supplier training:

A supplier is offered training when the supplier signs an



agreement to become a participating supplier. They are also sent a link to the "Supplier" section in the LIHEAP Policy and Procedures Manual which outlines step-by-step instructions for signing on to the EA system, how to process Customer Eligibility Listings, payments, reports and usage.

Coordinate the LIHEAP Application Processing, Services and Payment Benefits

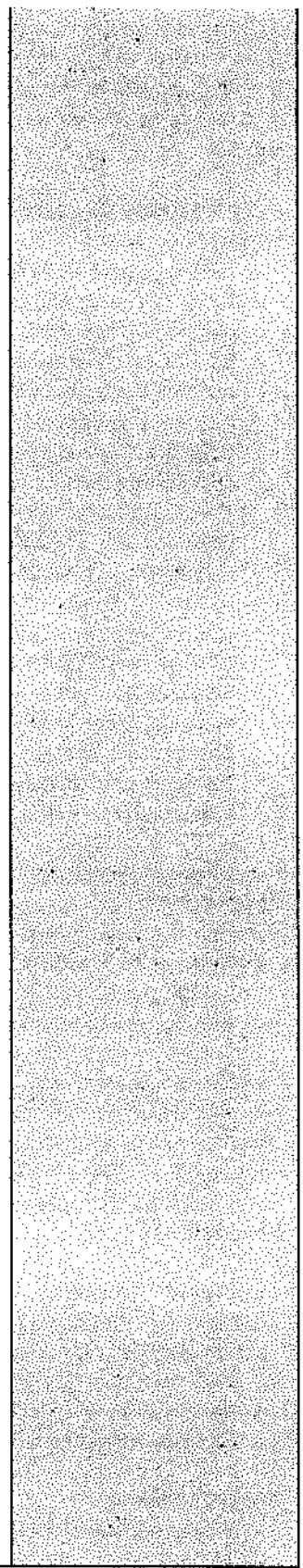
Contract agency will coordinate LIHEAP Energy Assistance (EA) and Energy Crisis Intervention Program (ECIP) when making payments for home energy bills. In some areas other utility funding such as Dollar More and Dollar Help are coordinated with LIHEAP funds.

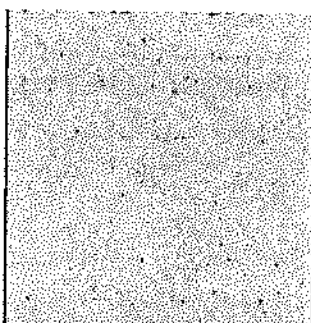
Zero Income Certification:

When a person age eighteen (18) or over declares zero income, the contract agency will print the LIHEAP Employment Security (EIES) screen. If the EIES screen indicates that an individual has been employed within the last six months, the agency will document whether the income has been terminated and record this information. If the individual has wages in the income computation month, the amount must be documented in the case file.

If the total household monthly net income is zero, the following actions must be completed:

Contact the applicant to inquire how the household manages to keep current on their rent, utilities, etc. with no income. If the management of this household cannot be adequately explained, the application will be denied.



<p>Secure copies of the Social Services Participant Search (SPAR) screen for all household members age eighteen (18) or older. If participation is indicated, secure copies of the Income Maintenance Payroll Information to determine if income is indicated and should be included.</p>			
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PROCEDURES FOR UNREGULATED ENERGY VENDORS			
Describe the Grantee's FY 2013 procedures continuing in FY 2014 for averting fraud and improper payments when dealing with bulk fuel dealers of heating oil, propane, wood and other unregulated energy utilities.	Please highlight any strategies policy in this area which will be newly implemented in FY 2014.	If you don't have a firm plan for averting fraud when dealing with unregulated energy vendors, please describe how the Grantee is ensuring program integrity.	Necessary outcomes from these systems and strategies
<p>The State of Missouri processes payments to unregulated energy vendors the same as regulated vendors. These procedures were outlined in the question above titled, "LIHEAP Benefits Policy". Fuel Oil, Propane and Kerosene</p> <p>There are three (3) documentation sources:</p> <ul style="list-style-type: none"> • A fuel supplier bill or delivery ticket that identifies the customer name and indicates the applicant has purchased fuel or paid on an account on or after July 1 of the current program year. • A current written statement from the fuel supplier documenting that the applicant is a current customer. <p>NOTE: If the fuel supplier bill, delivery ticket or written statement does not indicate a fuel purchase or payment on or after July 1, verbal documentation must be obtained from the fuel supplier.</p> <ul style="list-style-type: none"> • Verbal documentation obtained from the supplier must be recorded on the LIHEAP Case Notes (E1CN) screen which is accessed from any LIHEAP screen and should include the date contacted, person contacted, current account name, current address, customer account number and fuel type. 	<p>The State of Missouri will implement system enhancement request for real-time online notification of possible duplicate address as addresses are being entered in the LIHEAP system for FY2013. Only one payment for EA should be made to one household per program year.</p> <p>Due to time constraints, the State of Missouri was unable to complete this task in FY2013; however, is currently on target to initiate system testing toward this system enhancement with projected implementation for FY2014.</p>	<p>N/A</p>	<p>Participating vendors are thoroughly researched and inspected before benefits are issued.</p>

Wood Including Wood and Corn Pellets

The only acceptable documentation source will be a statement from the supplier dated July 1 or later in the current program year, indicating the applicant has purchased wood or pellets and has been charged for this or paid for labor to cut wood. The wood statement must include the date of purchase/charge, supplier name, buyer's name and amount paid.

NOTE: Households that cut their own wood will not be eligible.

Energy Crisis Intervention Program (ECIP) payments are made only to suppliers who have contracted with a LIHEAP contract agency to resolve the crisis situation. The maximum benefit amounts for ECIP are \$800 for the winter component and \$300 for the summer component.

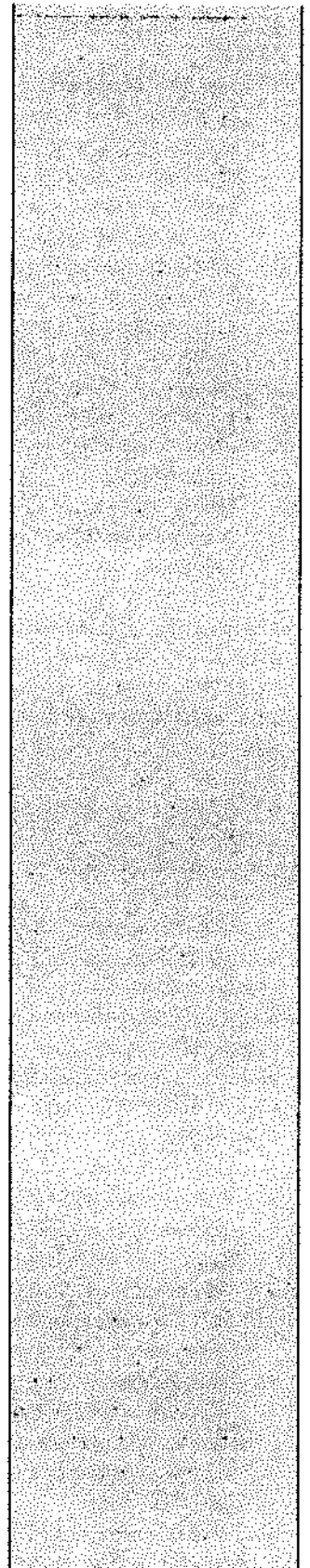
The LIHEAP agency contracts or written agreements with home energy suppliers, who do not have a current LIHEAP agreement with the Family Support Division (FSD), will stipulate the following minimum conditions for receipt of ECIP funds:

- The supplier will not discriminate against ECIP customers with regard to:
- The price they are charged for fuel in comparison to other customers of the supplier;
- The conditions for delivery of fuel, provided the contract agency has made a commitment to pay for the delivery; and
- The assessment of late payment charges for the time

period after the contract agency has made a commitment and the payment is made to the energy supplier, provided the time period does not exceed 20 calendar days.

- The supplier will only charge the ECIP customer the difference between the cost of home energy they purchase and the amount of payment made by the contract agency and/or FSD.
- The supplier will credit payments made by the contract agency to an ECIP household's account within 5 working days after the payment is received.
- Suppliers subject to regulation by the Missouri Public Service Commission will comply with all rules, regulations, policies and procedures issued by this entity that relate to the provision of home energy services to their low income customers.
- Suppliers will not apply ECIP funds to deposit fees or any other charges not incurred as the direct result of home energy consumed by the eligible ECIP customer. This includes tank (pressure) tests, reconnect fees, deposits and tank pick-up/removal.

For non-participating home energy suppliers when the EA component of the application is approved, a direct payment will be sent to the applicant to make payment on their primary heat source. The applicant will be responsible for making this payment and negotiating directly with their supplier to resolve their energy crisis situation. You will also explore the need for



additional crisis assistance. If the need for ECIP funds is established, a contractual agreement with the supplier will be completed for acceptance of the ECIP payment.

NOTE: ECIP does not make direct applicant payments.

Summer ECIP Only

Summer ECIP payments will be pledged and issued to suppliers that have a contractual agreement with the LIHEAP contract agencies on behalf of all eligible households beginning June 1 and ending September 1, unless funds are exhausted prior to that date. The maximum payment amount will be \$300. When negotiating with the supplier, only the amount needed to resolve the energy crisis will be paid.

Home Energy Supplier Payment Procedures

Low Income Home Energy Assistance Program (LIHEAP) Energy Assistance (EA) payments are made directly to participating suppliers through a centralized computer system. Participating suppliers receive payment information and send responses to the Family Support Division (FSD) through File Transfer Protocol (FTP), directly on the FSD website or by a paper process. The process used to send and receive information will determine the access that is needed to the EA System.

After the contracted agency has determined a case is eligible to receive a LIHEAP EA payment and the customer has a participating supplier, a Customer Eligibility Listing (CEL) report will be generated to the supplier. The Customer Eligibility Listing will identify each eligible customer by name, address, customer account number and social security



number. The energy supplier will be responsible for completing the responses and returning them to the Family Support Division (FSD) by the due date indicated on the form. The supplier will verify the name, address, customer account number and indicate if they will accept the payment. If the payment is denied a printout is generated to the local contract agency to review this listing to determine if there is a data entry error, additional funds are needed or contact the customer for additional information.

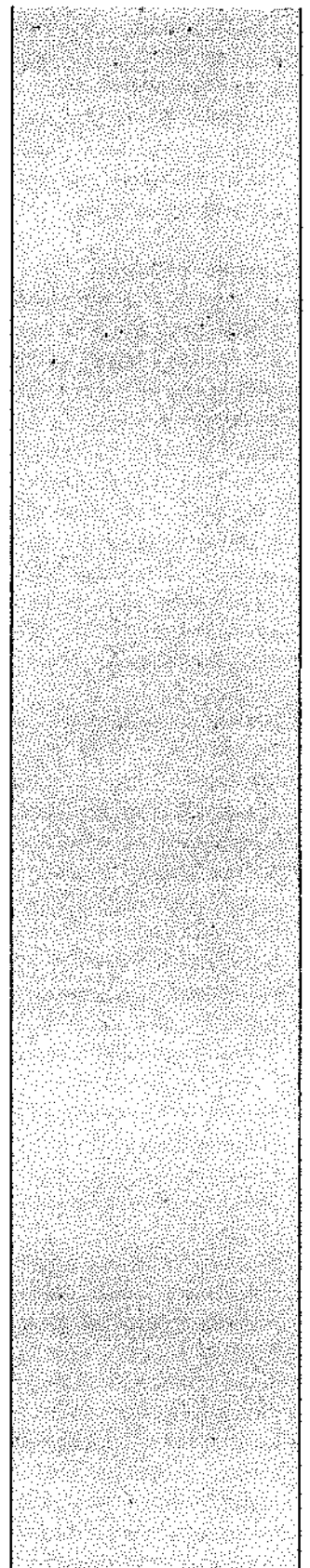
Corrections are made and resubmitted to the supplier. An Energy Assistance Eligibility Notice (EA-6) is also sent to the applicant notifying them that the payment was denied by the supplier.

System safeguards against duplicate payment:

- LIHEAP system does not allow same SSN to be approved on multiple Energy Assistance (EA) cases. Online edits prevent duplicate SSN entry.
- Applicants indicate on the LIHEAP application the home address to receive the Energy Assistance (EA) one-time payment. **NOTE:** Should a supplemental payment be generated, this is in addition to the one-time EA payment. Missouri generates a "Duplicate Households" report which identifies when more than one household has reported the same address when applying for LIHEAP.

Assurance in paying home energy suppliers directly:

To meet the assurance that a state may choose to pay home energy suppliers directly, a notification must be sent to the household on which the



assistance was paid to the supplier directly. This notice is the Energy Assistance Payment Notice (EA-7). The EA-7 is issued after the supplier response is received.

Supplier Monitoring:

Suppliers are monitored through a random sample and are required to submit actual usage data on the past year for every customer who receives payment from LIHEAP.

Supplier training:

A supplier is offered training when the supplier signs an agreement to become a participating supplier. They are also sent a link to the "Supplier" section in the LIHEAP Policy and Procedures Manual which outlines step-by-step instructions for signing on to the EA system, how to process Customer Eligibility Listings, payments, reports and usage.

Coordinate the LIHEAP Application Processing, Services and Payment Benefits

Contract agency will coordinate LIHEAP Energy Assistance (EA) and Energy Crisis Intervention Program (ECIP) when making payments for home energy bills. In some areas other utility funding such as Dollar More and Dollar Help are coordinated with LIHEAP funds.

Zero Income Certification:

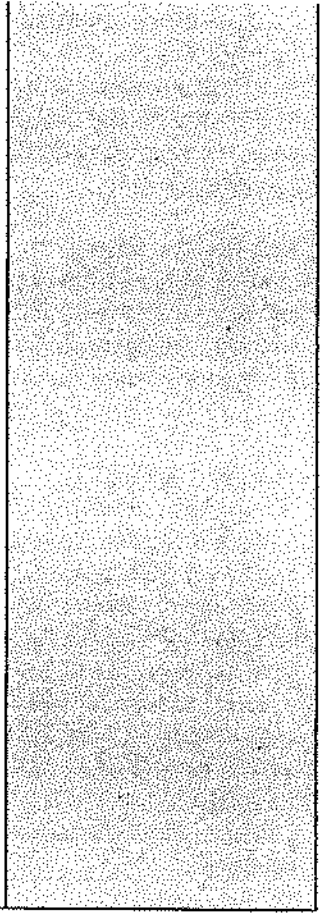
When a person age eighteen (18) and over declares zero income, the contract agency will print the LIHEAP Employment Security (E1ES) screen. If the E1ES screen indicates that an individual has been employed within the last six months, the contract agency will document whether the income has been terminated and record

this information. If the individual has wages in the income computation month, the amount must be documented in the case file.

If the total household monthly net income is zero, the following actions must be completed:

Contact the applicant to inquire how the household manages to keep current on their rent, utilities, etc. with no income. If the management of this household cannot be adequately explained, the application will be denied.

Secure copies of the Social Services Participant Search (SPAR) screen for all household members age eighteen (18) or older. If participation is indicated, secure copies of the Income Maintenance Payroll Information to determine if income is indicated and should be included.



VERIFYING THE AUTHENTICITY OF ENERGY VENDORS

Describe Grantee FY 2013 policies continuing in FY 2014 for verifying the authenticity of energy vendors being paid under LIHEAP, as part of the Grantee's procedure for averting fraud.	Please highlight any policies for verifying vendor authenticity which will be newly implemented in FY 2014.	If you don't have a system in place for verifying vendor authenticity, please describe how the Grantee can ensure that funds are being distributed through valid intermediaries?	Necessary outcomes from these systems and strategies
<p>The LIHEAP Agreement between Missouri Department of Social Services, Family Support Division and Home Energy Supplier states,</p> <p>"Business Compliance – The Supplier must be in compliance with the laws regarding conducting business in the State of Missouri. The Supplier certifies by signing the signature page of this original document and any amendment page(s) that the Supplier and any proposed subcontractors either are presently in compliance with such laws or shall be in compliance with such laws prior to any resulting contract award. The Supplier shall provide documentation of compliance upon request by the state agency. The compliance to conduct business in the state shall include, but not necessarily be limited to:</p> <ul style="list-style-type: none"> a. Registration of business name (if applicable); b. Certificate of authority to transact business/certificate of good standing (if applicable); c. Taxes (e.g., city/county/state/federal); d. State and local certifications (e.g., professions/occupations/activities); e. Licenses and permits (e.g., city/county license, sales permits); and f. Insurance (e.g., worker's compensation/unemployment compensation)." <p>LIHEAP central office staff access the State of Missouri Secretary of State – Business Entity Search website at https://www.sos.mo.gov/BusinessEntity/soskb/csearch.asp to verify the authenticity of every participating home energy supplier who has submitted a Home Energy Supplier Agreement. Copies of these verifications are placed in the home energy supplier files.</p> 	<p>There are no expected changes for FY2014 in reference to verifying the authenticity of energy vendors being paid under LIHEAP.</p>	<p>N/A</p>	<p>An effective process that effectively confirms the existence of entities receiving federal funds.</p>

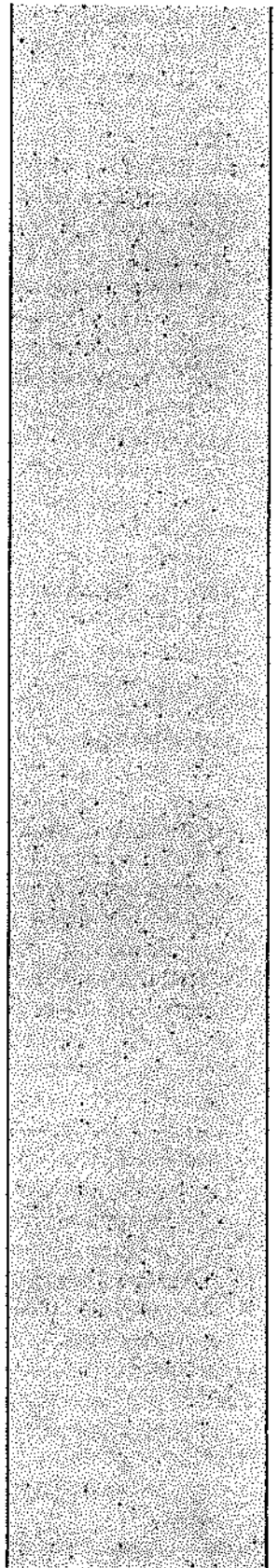
TRAINING AND TECHNICAL ASSISTANCE			
<p>In regards to fraud prevention, please describe elements of your FY 2013 plan continuing in FY 2014 for training and providing technical assistance to (a) employees, (b) non-governmental staff involved in the eligibility process, (c) clients, and (d) energy vendors.</p>	<p>Please highlight specific elements of your training regimen and technical assistance resources from your plan which will represent newly implemented in FY 2014.</p>	<p>If you don't have a system in place for anti-fraud training or technical assistance for employees, clients or energy vendors, please describe your strategy for ensuring all employees understand what is expected of them and what tactics they are permitted to employ.</p>	<p>Necessary outcomes from these systems and strategies</p>
<p>(A) Employees: Employees sign the State of Missouri Department of Social Services Access Request, DSS Confidentiality and Information Security Agreement and Confidentiality Agreement. These documents deal with protection of information employees have access to. One section of these documents states, "State and federal statutes and DSS policy require confidentiality of information and records and provide penalties for the unauthorized access, use, release, and/or commission of a fraudulent act with regard to such information (refer to page 2). Violations of statutes and DSS policies may result in disciplinary action, up to and including suspension, dismissal and civil or criminal court action."</p> <p>The State of Missouri's DSS Administrative Manual, Code of Conduct section states, "Employees shall not disclose confidential information gained by reason of their public positions, nor shall employees use such information for personal gain</p>	<p>LIHEAP Workgroup which was formed in FY2013 to address technical and training assistance for contract agencies continues for FY2014.</p> <p>The State of Missouri is amending the Supplier Agreement to include information for the reporting of fraud.</p> <p>The State of Missouri held four (4) meetings across the state with its suppliers to address the revised LIHEAP Supplier Agreement.</p>	<p>N/A</p>	<p>The timely and thorough resolution of weaknesses or reportable conditions, as revealed by the audit.</p>

or benefit" and "Employees shall use state equipment/materials and supplies solely for purposes related to the performance of state business."

LIHEAP staff reviewed the information provided in this Program Integrity Assessment Supplement for the FY2014 State Plan.

(B) Non-governmental staff involved in the eligibility process: The State of Missouri LIHEAP central office staff provides technical assistance and training to the contract agency managers or designated representatives through in-person training or webinar at least one time a year prior to any upcoming LIHEAP season. These are used to discuss the LIHEAP Policy and Procedures Manual (located online), which includes information on handling fraud. The contract agency managers or designated representative return to their individual offices to train their LIHEAP eligibility staff. In FY2013, the State of Missouri formed a LIHEAP workgroup to address technical and training assistance for contract agencies.

(C) Clients: The LIHEAP application for Heating and/or Cooling Assistance and Instructions advise of and include information on fraud. The clients are instructed how to complete the application, what documentation they must provide with the application, and includes specific language addressing fraud. It states, "I hereby apply for assistance under the LIHEAP laws of the State of



Missouri administered by the Department of Social Services (DSS). I declare that the information I have given is true, correct, and complete to the best of my knowledge. I realize that the information which I have given on this application will be subject to verification by the contracted agency. If any household member declared on my application is currently receiving Food Stamps, TANF, or child support, I hereby authorize the contracted agency to use my Family Support Division (FSD) file to document income and resource eligibility for LIHEAP. I hereby authorize the contracted agency and FSD to release information relating to my application for LIHEAP to my fuel supplier to determine eligibility. I give permission to DSS to use information provided on this form for purposes of research, evaluation, and analysis of the program. I understand that I may be fined, imprisoned, or both under state or federal law if I make false statement(s) on this application in order to get benefits I am not entitled to receive." The applicant must sign and date the LIHEAP application for Heating and/or Cooling Assistance to acknowledge they have read and fully understand what documentation they must provide and possible penalties for knowingly reporting false information. Unsigned applications are returned to the applicant for signature by the contract agency.

Energy Vendors: The State of



<p>Missouri LIHEAP Policy and Procedures Manual provides an entire section titled, "Supplier". Supplier's can access this at any time for guidance on the LIHEAP program. In addition, the State of Missouri central office has staff available that provides training and technical support to suppliers on an on-going or as requested basis.</p>			
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AUDITS OF LOCAL ADMINISTERING AGENCIES

<p>Please describe the annual audit requirements in place for local administering agencies in FY 2013 that will continue into FY 2014.</p>	<p>Please describe new policies or strategies to be implemented in FY 2014.</p>	<p>If you don't have specific audit requirements for local administering agencies, please explain how the Grantee will ensure that LIHEAP funds are properly audited under the Single Audit Act requirements.</p>	<p>Necessary outcomes from these systems and strategies</p>
<p>The Missouri Low Income Home Energy Assistance Program (LIHEAP) Contract, which must be agreed upon and signed by the LIHEAP contract agencies, number 2.9.1 states, "Under this designation, the contractor shall comply with the requirement of OMB Circular A-133 and Attachment B. In addition, 4.7.2 the contractor shall comply with the requirements of the Single Audit Act Amendments of 1996 (P.L. 104-156) and Circular A-133, including subsequent amendments or revisions, as applicable or 2 CFR 215.26 as it relates to for-profit hospitals and commercial organizations. A copy of any audit report shall be sent to the State Agency each contract year if applicable. The Contractor shall return to the State Agency any funds disallowed in an audit of the Contract." In addition, 3.10.5 states, "The contractor shall include an audit LIHEAP supplemental schedule including verification of reported</p>	<p>The State of Missouri Contract Agreement is being reviewed and revised in FY2014.</p>	<p>N/A</p>	<p>Reduce improper payments, maintain local agency integrity, and benefits awarded to eligible households.</p>

performance and supplemental schedule disclosures for the LIHEAP Program Year (October – September) with the submission of the annual audit reports required herein.”

When the state receives the audit reports, a complete review is conducted and issues are noted. When monitoring an agency, this review is utilized in speaking with the agency fiscal person. Questions are asked about the findings and what policies and/or procedures they have put into place to keep those issues from happening again.

Additional Information

Please attach further information that describes the Grantee’s Program Integrity Policies, including supporting documentation from program manuals, including pages/sections from established LIHEAP policies and procedures.

- LIHEAP Case Review Sheet
- Usage Data Sheet
- DSS Confidentiality & Information Security Agreement
- State of Missouri Department of Social Services Access Request
- Low Income Home Energy Assistance Program Agreement
- LIHEAP Application and Instructions
- Code of Conduct
- LIHEAP Contract with Agencies